EMBASSY OF THE UNITED STATES OF AMERICA

No. 116

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs and Trade and has the honor to propose the following understandings with respect to the acceptance by the United States Government of spent fuel from the HIFAR research reactor.

The Government of Australia confirms that the Australian Nuclear Science and Technology Oganization will close down altogether the HIFAR research reactor by May 12, 2006. Any new research reactor to be built in Australia will use low enriched uranium fuel.

The Government of the United States of America agrees to accept for storage and disposition in the United States HIPAR research reactor spent fuel that was produced from nuclear material supplied by the United States. The United States will accept the spent fuel assemblies in increments. An initial quantity of 240 assemblies will be accepted in the period before 31 December 1998. The subsequent quantities to be accepted and the timing of shipments will be determined by the United States Government on the basis of concrete progress

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towards permanent shutdown of the reactor. It should be noted that opportunities to return spent fuel to the United States in the final years of the program (2006 - 2009) could be limited by operational constraints.

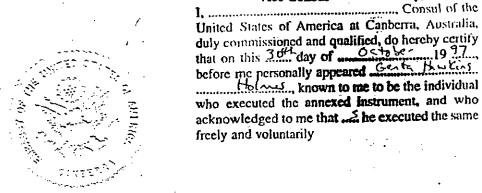
The Embassy of the United States requests that the Department of Foreign Affairs and Trade confirm that this understanding is shared by the Government of Australia.

The Embassy of the United States of America avails itself of this opportunity to renew to the Department of Foreign Affairs and Trade the assurances of its highest consideration.

INBERRIT

Embassy of the United States of America, Canberra, 30 October 1997.

## Kurt van der Walde Vice Consul



## U.S. UNDERSTANDINGS PERTAINING TO SHIPMENT OF HIFAR SPENT FUEL TO THE UNITED STATES UNDER DOE FOREIGN RESEARCH REACTOR SPENT FUEL ACCEPTANCE PROGRAM

The Government of the United States and the Government of Australia exchanged diplomatic notes on October 30, 1997 on understandings with respect to the acceptance by the U.S. Department of Energy (DOE) of spent fuel from the HIFAR reactor.

The deadline specified in the diplomatic note for closing down the reactor altogether (May 12, 2006) must be considered final and cannot be extended.

DOE's acceptance of spent fuel from the HIFAR reactor will depend on ANSTO meeting the requirements of the contract between ANSTO and DOE and, inter alia, the following:

- eligible for shipment to the United States will be delivered in three phases. The first phase, a shipment not to exceed 240 HEU assemblies, is scheduled to take place in 1998. The second phase, involving further shipments of no more than 240 additional HEU assemblies, may take place no sooner than December 31, 2002, unless at some earlier date DOE is satisfied the new reactor project has progressed adequately toward completion, consistent with the specified end date for shut-down of HIFAR by May 12, 2006. The third and final phase, involving shipment of all remaining authorized material, will begin only after HIFAR has been permanently closed down. Any new research reactor to be built in Australia will use LEU fuel.
- (2) Subject to the conditions described in paragraph 1 above and noting that the deadline specified in the diplomatic note is toward the end of the Department of Energy's Program, DOE will make every effort to accept all eligible HIFAR spent fuel under the foreign research reactor spent fuel acceptance program before the expiration date of that program on May 12, 2009.



N° ISD 97/11

The Department of Foreign Affairs and Trade presents its compliments to the Embassy of the United States of America and has the honour to acknowledge receipt of Note No.116, dated 30 October 1997, together with the attachment thereto, which reads as follows:

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs and Trade and has the honor to propose the following understandings with respect to the acceptance by the United States Government of spent fuel from the HIFAR research reactor.

The Government of Australia confirms that the Australian Nuclear Science and Technology Organization will close down altogether the HIFAR research reactor by May 12, 2006. Any new research reactor to be built in Australia will use low enriched uranium fuel.

The Government of the United States of America agrees to accept for storage and disposition in the United States HIFAR research reactor spent fuel that was produced from nuclear material supplied by the United States. The United States will accept the spent fuel assemblies in increments. An initial quantity of 240 assemblies will be accepted in the period before 31 December 1998. The subsequent quantities to be accepted and the timing of shipments will be determined by the United States Government on the basis of concrete progress towards permanent shutdown of the reactor. It should be noted that opportunities to return spent fuel to the United States in the final years of the program (2006-2009) could be limited by operational constraints.

The Embassy of the United States requests that the Department of Foreign Affairs and Trade confirm that this understanding is shared by the Government of Australia.

The Embassy of the United States of America avails itself of this opportunity to renew to the Department of Foreign Affairs and trade the assurances of its highest consideration.

Embassy of the United States of America, Canberra

U.S. UNDERSTANDINGS PERTAINING TO SHIPMENT OF HIFAR SPENT FUEL TO THE UNITED STATES UNDER DOE FOREIGN RESEARCH REACTOR SPENT FUEL ACCEPTANCE PROGRAM

The Government of the United States and the Government of Australia exchanged diplomatic notes on October 30, 1997 on understandings with respect to the acceptance by the U.S. Department of Energy (DOE) of spent fuel from the HIFAR reactor.

The deadline specified in the diplomatic note for closing down the reactor altogether (May 12, 2006) must be considered final and cannot be extended.

DOE's acceptance of spent fuel from the HIFAR reactor will depend on ANSTO meeting the requirements of the contract between ANSTO and DOE and, inter alia, the following:

- (1) It is anticipated that the HIFAR spent fuel eligible for shipment to the United States will be delivered in three phases. The first phase, a shipment not to exceed 240 HEU assemblies, is scheduled to take place in 1998. The second phase, involving further shipments of no more than 240 additional HEU assemblies, may take place no sooner than December 31, 2002, unless at some earlier date DOE is satisfied the new reactor project has progressed adequately toward completion, consistent with the specified end date for shut-down of HIFAR by May 12, 2006. The third and final phase, involving shipment of all remaining authorized material, will begin only after HIFAR has been permanently closed down. Any new research reactor to be built in Australia will use LEU fuel.
- (2) Subject to the conditions described in paragraph 1 above and noting that the deadline specified in the diplomatic note is toward the end of the Department of Energy's Program, DOE will make every effort to accept all eligible HIFAR spent fuel under the foreign research reactor spent fuel acceptance program before the expiration date of that program on May 12, 2009.

The Department of Foreign Affairs and Trade on behalf of the Australian Government confirms that the foregoing proposals are acceptable and acknowledges that this Note and the Note prepared by the Embassy of the United States of America together constitute a Memorandum of Understanding on the issue.

The Department of Foreign Affairs and Trade avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

CANBERRA 30 October 1997 90/998

